

NATIONAL CANNERS ASSOCIATION INFORMATION LETTER

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MEETING OF ADMINISTRATIVE COUNCIL AND STATE ASSOCIATION REPRESENTATIVES

The Administrative Council of the Association met at Washington during the week of December 5, at which time it had before it for discussion and appropriate action the proposed canners' basic code, the grocery manufacturers' code, the national fisheries' code, the proposed amendment of the Food and Drugs Act, the program for the annual convention, and various Association business.

Upon invitation of the Association, there were also in attendance officers of state canners' associations and others, which made the meeting thoroughly representative of the entire industry. State associations represented included the Eastern Shore of Virginia Packers Association, Indiana Canners Association, Tennessee-Kentucky Canners Association, Canners League of California, Tri-State Packers Association, Ozark Canners Association, Utah Canners Association, Colorado Canners Association, Wisconsin Canners Association, Minnesota Canners Association, Northwest Canners Association, Iowa-Nebraska Canners Association, New York Canners Association, Ohio Canners Association, Maine Canners Association, Michigan Canners Association, Virginia Canners Association, and Massachusetts Canners Association.

At the first day's session on Tuesday the general situation with respect to the proposed code was discussed in addresses by President Marc C. Hutchinson, Secretary Frank E. Gorrell, Judge J. Harry Covington, Thomas Austern, and James W. Tapp, and James D. Dole, of the Agricultural Adjustment Administration. The meeting, by unanimous vote, adopted a motion that the Association proceed to put the proposed code in finished form and request a public hearing.

President Hutchinson thereafter appointed a committee to undertake this work, and another committee to consider the proposed revision of the Food and Drugs Act.

The food law committee submitted a report on Wednesday

morning citing the features in the Copeland bill which the committee believed should be revised. The committee recommended that Congress be asked to legislate separately for foods rather than cover foods, cosmetics, and drugs in a single bill. Arrangements were made for the recommendations as reported by the committee and approved by the meeting to be presented at the hearings before the Commerce Committee of the Senate.

The code committee submitted a report covering its recommendations, which report was approved. On the question of payment of piece workers in the labor provisions, a special committee had been appointed at the time of the last conference with the NRA representatives, and this committee submitted a recommendation, which was approved.

The Administrative Council approved the application of the salmon and mushroom canners, respectively, to organize as sections of the National Canners Association.

On Wednesday afternoon the state association representatives entered upon a discussion of the possibility of effecting industry stabilization through marketing agreements, and this discussion was continued at an evening session, at which Mr. James W. Tapp, of the A. A. A., was present.

Mr. Tapp referred to a request he had made in a letter to the Association a few days earlier, that the Association proceed with the organization of Commodity Committees. While such committees would be on an informal basis, provision for constituting them is contained in the Canning Industry Code, and Mr. Tapp expressed the belief that they should be set up, so that he could confer with them regarding any marketing agreements that might be sought respecting canned foods commodities and thus avoid unnecessary delay in preparation for 1934 operations.

The meeting approved a motion that the Association request the state associations to nominate members for such unofficial commodity committees.

One person each from the 17 states and geographical associations represented was constituted a temporary committee to consider how best to present the situation confronting the canning industry to the state associations and how best to cooperate in carrying out the request of the Agricultural Adjustment Administration. Mr. Howard A. Orr acted as chairman of the temporary committee at an all-day session Thursday, and was requested by the committee to prepare a statement summarizing their discussion and action, this statement to be distributed by the National Canners Association to all canners.

CANNED FOOD EXPORTS IN OCTOBER

Exports of canned meats and canned fruits increased in the month of October as compared with October, 1932. Asparagus, corn and peas were the only canned vegetables which showed increases. Following are the monthly statistics as compiled by the Department of Commerce:

Articles	October, 1932		October, 1933	
	Pounds	Value	Pounds	Value
Canned meats, total.....	852,988	\$177,088	1,070,007	\$274,346
Beef	61,410	15,525	73,497	22,223
Pork	687,254	140,410	823,577	216,379
Sausage	60,731	13,821	139,981	30,067
Other	43,593	7,282	83,552	5,657
Canned vegetables, total.....	2,715,846	215,909	2,540,200	202,520
Asparagus	867,375	103,814	1,113,641	112,348
Baked beans, and pork and beans	488,873	20,266	474,905	15,536
Corn	107,404	7,290	153,683	10,491
Peas	133,360	10,232	295,144	24,162
Soups	84,076	10,500	105,932	10,282
Tomatoes	908,332	53,574	220,551	15,341
Other	126,426	10,233	176,254	14,360
Condensed milk	582,702	72,068	321,604	38,777
Evaporated milk	2,833,005	149,889	1,927,143	125,215
Canned fruits, total.....	35,138,259	2,129,924	42,285,510	2,912,255
Apples and applesauce.....	6,002,306	230,786	1,313,359	52,923
Apricots	2,003,900	123,091	2,660,675	182,312
Berries, other	48,883	5,113	175,170	14,153
Cherries	73,560	7,389	141,773	19,987
Fruits for salad	3,602,520	368,708	6,852,978	672,547
Grapefruit	162,672	11,641	336,141	16,919
Loganberries	94,561	6,460	738,250	43,615
Peaches	7,956,779	454,238	12,067,111	703,727
Pears	11,616,175	675,327	15,683,322	996,954
Pineapple	3,008,511	217,056	1,600,111	130,124
Prunes	168,916	12,745	195,537	19,737
Other	219,476	17,370	512,083	49,957
Salmon	4,224,900	444,244	3,091,370	387,416
Sardines	2,425,222	141,631	1,524,705	89,655

CONVENTION REGISTRATION AND ROOM RESERVATIONS

The Association will have a registration desk at the annual convention to be held at the Stevens Hotel, Chicago, the week of January 15. This desk will be located on the first floor and will be opened on Sunday afternoon, January 14. Immediately on arrival, every canner attending the convention should go to the booth and register. A special identification button will be issued to attendants when they register, which will be necessary in connection with entrance to the canning machinery and supply exhibits.

As heretofore, a Room Directory will be published and distributed by the Stevens Hotel giving the names and room numbers of those who have reservations at the Stevens. This directory will cover brokers and canning machinery and supply firms as well as cannerys.

Member cannerys who expect to attend the convention and

who wish to assure that their names and room numbers appear in the Room Directory should therefore make application to the Association for room reservations, if they have not already done so. Members have the privilege of cancelling reservations at any time prior to one week in advance of the opening date of the convention.

THE 1934 TRUCK CROP OUTLOOK

In its annual report on the agricultural outlook for 1934, the U. S. Department of Agriculture makes the following general observation with respect to truck crops for manufacture:

With relatively light supplies of canned vegetables in sight for the 1933-34 marketing season, and with some improvement in consumer purchasing power during the latter half of 1933, it appears that prices to growers for tonnage of truck crops grown for manufacture may be somewhat higher in 1934 than the record low prices of 1932 and 1933 and that larger acreages may be contracted in regard to certain crops. Wholesale prices of canned vegetables have shown material advances over the low points of early 1933 and will probably continue in a relatively favorable position throughout the 1933-34 marketing season.

Judging from the movement of total acreage of canning vegetables during the last 15 years, when acreage expanded and contracted through more or less regular periods, reaching peaks in 1918, 1925, and 1930, it appears that, following the low acreage of 1932, the increase of about 9 per cent in 1933 is likely to be followed with further expansion of acreage in 1934 and 1935. During the last 2 years the low level of consumer purchasing power has been the dominant factor affecting prices, and prices to both the grower and packer remained low in spite of relatively small supplies in each of those years. Acreage should be determined, as far as possible, by probable consumption requirements of the several crops during the 1933-34 and 1934-35 marketing seasons. The probable level of consumer purchasing power, size of the 1933 packs, carry-over, and, to some extent, competition of fresh vegetables and home canning, are the main factors to be considered. Since packers usually control about 90 per cent of the acreage of canning vegetables through contracts with growers, the determination of the 1934 plantings is largely in the hands of the packers themselves.

The 1933 level of prices to growers of seven of the more important truck crops for commercial manufacture (tomatoes, green peas, sweet corn, snap beans, asparagus, cabbage for sauerkraut, and spinach) appears to be about 4 per cent above the low-record level of 1932, but remains 31 per cent below the average for the period 1924-29. Comparative data are not available for the base period, 1909-14. This slight increase for the group reflects the higher prices paid to growers in 1933 for tomatoes, sweet corn, and cabbage for sauerkraut, the three crops on which contract prices were voluntarily increased by canners at the request of the Agricultural Adjustment Administration. On the other four crops of the group (asparagus, snap beans, green peas, and spinach), prices in 1933 averaged about 3 per cent lower than for 1932. During the period 1921 to 1930 the index of average price per ton for these seven crops showed very moderate fluctuations from year to year, with no year varying more than 8 per cent from the 1924-29 level. Beginning with 1930, prices of these vegetables declined only slightly but dropped 15 per cent during 1931 and 22 per cent in 1932. As a result of low prices and

relatively light yields per acre during 1931, 1932, and 1933, the average gross value per acre during this period dropped 36 per cent below the 1924-29 average. The crops returned, on the average, about \$31 per acre gross to the growers in 1933, compared with \$35 in 1932, \$38 in 1931, \$50 in 1930, and \$56 in 1929.

Prices of canned goods (tomatoes, sweet corn, green peas, and snap beans) have shown declines which have been closely associated with the declines in prices paid to growers for raw materials. The average wholesale price of these canned products during the early months of 1933 was 35 to 40 per cent below the 1924-29 level and followed closely the drop in the all-commodities index. The September prices of canned vegetables, however, were materially higher than January prices and averaged only about 16 per cent lower than the 1924-29 September level. Inasmuch as contract prices to the grower are largely determined by prices received by packers for canned vegetables during December, January, and February, the level of prices to growers for raw materials for the 1934 season will depend largely upon wholesale prices of canned vegetables during the next 4 months. The present wholesale level is higher than the low prices of early 1933.

Insofar as the supply of canned vegetables affects prices to the grower and canner, the present statistical position of the supply factors is rather favorable. Judging from preliminary estimates, the total production of commercial canning vegetables in 1933 is about 11 per cent below the small production of 1932 and nearly 31 per cent under the 5-year average production for the period 1927-31. Increases over 1932 on the production of asparagus, sweet corn, green peas, and spinach have been more than offset by smaller crops of the other vegetables, especially of tomatoes and cabbage for sauerkraut. In terms of pack of canned vegetables, production comparisons are possible on tomatoes, green peas, sweet corn, and snap beans, the only major canning crops on which the Department of Commerce gathers annual pack statistics. The combined canned pack from these crops, representing from 85 to 90 per cent of the total tonnage production of the seven crops listed above, according to October 1 estimates of tonnage production will be around 44,000,000 equivalent cases of No. 2 cans, or slightly less than the total of approximately 45,000,000 cases packed in 1932. (Although estimated tonnage production of the four crops is 12 per cent less than that of 1932, the decrease in probable pack is only about 2 per cent, because of the variation in cases per ton obtained from the several crops.) The 1932 and 1933 packs are the smallest since 1922. A high record pack of about 80,000,000 cases was obtained in 1925. Following 1925, there were 2 successive years of decreases succeeded by 3 years of expansion, which culminated in another high pack of 75,555,000 cases in 1930. In 1931 the pack declined to 55,425,000 cases. The average size of the total pack for the 5-year period 1927-31 was 60,894,000 cases, with a range from 50,818,000 cases in 1927 to 75,555,000 cases in 1930.

Although complete data on present holdings of canned vegetables by canners and distributors are not available, these holdings are comparatively small as a result of 2 successive years of light production.

Following a high record of 1,211,300 acres of the seven major canning vegetables harvested in 1930, the combined acreage of these vegetables declined to 995,130 acres in 1931 and to 724,500 acres in 1932. Although the acreage planted to these crops in 1933 increased to 792,000 acres, or about 9 per cent over that of 1932, it remains 20 per cent below the 5-year average for the period 1927-31. The acreage planted to canning vegetables has expanded and contracted in a more or less regular movement since 1918.

Following a peak of 808,400 acres harvested in that year, total acreage declined for 3 successive years to a low point of 394,200 acres in 1921. Beginning with 1922, there were 4 successive years of increases to another peak of 1,087,500 acres in 1925. This peak was followed by 2 years of decreased acreages and then by 3 years of expansion, reaching the high peak of 1,211,300 acres in 1930. It now appears that acreage is at the beginning of another period of expansion.

AMENDMENTS ADOPTED FOR CLING PEACH AGREEMENT AND LICENSE

Amendments to the marketing agreement and license for cling peaches in California have been approved by Secretary Wallace, effective on December 9. They were requested by the Cling Peach Control Committee and a majority of the California canners.

The agreement and license are modified with respect to the maximum and minimum price schedule for canners' sales, and provide an extension of the time limit for guaranty of prices against declines on unshipped orders, goods in transit and unsold floor stocks.

The increase in maximum and minimum prices, effective after January 1, 1934, amounts to 10 cents per dozen cans of No. 2½ Choice, with comparable amounts of increase for other grades and sizes.

The new price list carries with it, according to the agreement, a provision that each canner must pay into a price increase fund 25 per cent of the amount of the increase on all canned cling peaches sold during the period in which the increased price is in effect. This fund is held for the account of the peach growers and must be distributed pro rata to all growers of No. 1 cling peaches.

The price guaranty provision of the license is modified to permit the guaranty of prices until July 31, 1934, instead of until December 31, 1933, as originally provided.

The agreement provides that the Secretary of Agriculture may upon his own initiative or upon the recommendation of the Control Committee, make changes in the maximum and minimum prices specified in the agreement and license. The present advance in maximum and minimum prices was recommended to the Secretary by the Control Committee and accepted after investigation.

CORN PACK IN 1933

The canned corn pack in 1933 was 10,192,730 cases, basis of No. 2's, according to the Foodstuffs Division of the Bureau of

Foreign and Domestic Commerce. In cases of all sizes of containers, the pack was 10,245,359 cases.

The following table shows the pack of cream style and whole grain corn in cases of 24 No. 2's, by states, in 1933:

State	Cream style Cases	Whole grain Cases	Total Cases
Delaware	86,400		86,400
Illinois	1,497,443	314,745	1,812,188
Maine	1,005,750	48,792	1,054,542
Maryland	575,474	366,530	942,004
Minnesota	1,647,898	702,038	2,349,936
New York	532,647	51,696	584,343
Pennsylvania			52,107
Wisconsin			279,336
Indiana	a 2,836,876	a 161,340	837,512
Iowa			1,132,301
Nebraska			192,078
Ohio			504,882
All other states	314,167	51,134	365,301
Total	8,496,455	1,096,275	10,192,730

a Grouped to avoid disclosure of activities of individual firms.

The pack in 1932 totaled 9,357,642 cases, of which 7,850,345 cases were cream style and 1,507,297 whole grain.

The 1933 pack, by principal sizes of containers, was as follows:

Size	No. to Case	Total Cases
No. 1	48	235,070
No. 2	24	8,406,061
No. 10	6	329,066
Miscellaneous	1,275,162
Total		10,245,359

A copy of the leaflet giving the figures for 1933 and earlier years is sent with this issue of the Information Letter.

SHRIMP PACK

The total pack of shrimp from August 3 to November 29, as reported by the Shrimp Section of the National Cannery Association, was 599,278 cases, of which 15,140 cases were packed during the week ending November 29.

CONTROL OF DAMPING-OFF OF SPINACH

The Cornell University Agricultural Experiment Station at Ithaca has issued as Bulletin 566 a pamphlet of 25 pages on copper seed treatments for the control of damping-off of spinach. Excellent control, the bulletin states, has been obtained in the greenhouse and in the field on both muck and upland soils by treating the seed with copper or mercurial fungicides.

FIG PACK IN CALIFORNIA

The canned fig pack in California in 1933, according to figures collected by the Cannery League in cooperation with the Southern California Cannery Association, totaled 127,782 cases in tin and 3,308 cases in glass. In 1932 the pack in tin was 147,573 cases.

ASPARAGUS AGREEMENT TO BE HEARD IN CALIFORNIA

The Agricultural Adjustment Administration has issued notice of hearing for a proposed marketing agreement on fresh asparagus, to be held in the state capitol at Sacramento, Calif., on December 11. The agreement is proposed jointly by the shippers of fresh California asparagus, representing 90 per cent of the interstate movement of the commodity, and by the growers of 75 per cent of the volume.

The agreement includes the pro rata principle through which supplies may be restricted and allotted among shippers. The proposed set-up consists of a control committee for general administrative purposes, and a pro-rating committee to handle the allotments. According to the proposed agreement, the control committee would be chosen from among the shippers on a tonnage basis. A pro-rating committee of nine members would be selected jointly by the control committee of shippers and the growers' associations. At least five of the nine would be required to be growers or representatives of growers' associations.

The Administration's announcement states that it is expected that a second agreement covering the canned asparagus industry will be submitted for hearing later. California, it is stated, produces practically all of the canned asparagus supply in the country, and in certain seasons it also supplies a large part of the fresh product.

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